

**STATEMENT OF  
COMMISSIONER JONATHAN S. ADELSTEIN**

*In the Matter of Implementation of Section 304 of the Telecommunications Act of 1996,  
Commercial Availability of Navigation Devices, CS Docket No. 97-80, Second Report & Order  
(FCC 05-76)*

Today's decision was a difficult one. The Commission, along with the cable and consumer electronics industries, continues to wrestle with how best to realize the clear Congressional goal of assuring the commercial availability of navigation devices. The Commission long ago decided that cable operators should be prohibited as of a date certain from integrating navigation and security functionalities, in order to promote the competition envisioned by the Telecommunications Act of 1996. Today's action marks the third time we have extended the date of the integration ban, which would have gone into effect in July, 2006. Cable interests would have preferred that we eliminate the ban entirely; consumer electronics interests would have preferred that we keep the ban in place and on schedule.

Given past delays, and even more importantly, the lack of any real alternative to leasing a set-top box for cable subscribers who want access to the latest digital technologies, I was very hesitant to support any further adjustment to the integration ban, absent a compelling reason to do so. While a close call, I believe today's decision provides a justification for a modest extension. We make a strong case for the continued existence of the ban, but decide to postpone it, for one year only, to give the players involved a chance to determine whether a downloadable security solution is feasible, and if so, when it could be implemented. This technology would have costs savings, compared to the alternative of physical separation of navigation and security functionalities, for the benefit of consumers. At the same time, in this item, we require periodic and various reports to ensure that cable operators live up to existing requirements (*e.g.*, one-way "plug-and-play" rules), and that the industries make decent progress toward future goals (*e.g.*, two-way functionalities, software security solution). I thank my colleagues for their cooperation in bolstering some of these reporting requirements. I will be keeping a close eye on the information as it comes in.

I look forward to progress in all of these areas to promote competition and innovation, and, ultimately, greater choice for consumers, as Congress intended.